GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1004
ANSWERED ON:27.07.2001
IMPORT OF ROUGH DIAMOND
A.P. JITHENDER REDDY;C. SREENIVAASAN;SHYAMA SINGH

Will the Minister of FINANCE be pleased to state:

(a) whether the Customs authorities at Mumbai have recently unearthed a racket in the import/export of rough diamonds to the tune of crores of rupees under forged replenishment licences;

(b) if so, the facts and details in this regard;

(c) whether the Government propose to take further action against such importers/exporters who have violated the REP;

(d) if so, the details in this regard;

(e) whether it is also a fact that some highly placed customs officials have also been involved in this scam; and

(f) if so, the action taken against the accused officials?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) & (b) : Yes, Sir. As a result of critical scrutiny of import documents including licences presented for clearances of rough diamonds in February, 2001 and detailed follow-up investigations, Mumbai Customs detected that four importing firms, namely M/s Deepali Exports, M/s Vijaybhav, M/s Pushpak Impex and M/s Vaibhav Exports had been indulging in tampering and forgery of import licences to get away with duty free imports of rough diamonds. Investigations have revealed that these firms have imported rough diamonds valued at Rs. 332 crores on the strength of 56 forged Replenishment Licences during the period January, 1999 to February, 2001. Rough Diamonds worth Rs. 5 crores have been seized and all the four Proprietors of the above said four firms have been arrested under the Customs Act, 1962.

(c) & (d) : Yes, Sir. Action against the four accused is being taken under the Customs Act, 1962 and allied laws.

(e) & (f) : No customs officials have been found involved in this case.